

Public Housing Capital Fund

Capital and management funding for public housing agencies.

Nature of Program: The Capital Fund is available by formula distribution for capital and management activities, including development, financing, and modernization of public housing projects, which includes redesign, reconstruction, and reconfiguration of public housing sites and buildings (including accessibility improvements) and development of mixed-finance projects; vacancy reduction; addressing deferred maintenance needs and the replacement of obsolete utility systems and dwelling equipment; planned code compliance; management improvements, demolition and replacement; resident relocation; capital expenditures to facilitate programs to improve the empowerment and economic self-sufficiency of public housing residents, and improve resident participation; capital expenditures to improve safety and security of residents; homeownership activities, including programs under Section 32 of the U.S Housing Act of 1937; improvement of energy and water-use efficiency by installing or changing fixtures and fittings; and integrated utility management and capital planning to maximize energy conservation and efficiency.

Based on Section 9, not more than 20 percent of a public housing agency's (PHA) capital funds may be transferred to operations if the PHA's PHA plan provides for such use. However, non-troubled PHAs that own or operate fewer than 250 units and that have also maintained their inventory in good condition have full flexibility in how they use Capital and Operating funds for eligible activities under Sections 9(d)(1) and 9(e)(1).

Based on section 9 and 30, PHAs may request HUD approval to borrow funds from the private market to make improvements to and/or develop additional public housing, by pledging a portion of their future annual Capital Fund grants to make debt service payments.

Applicant Eligibility: Public housing agencies.

Legal Authority: Section 9(d) and Section 30 of the U.S. Housing Act of 1937 (42 U.S.C. 1437g(d) and 1437z-2). Regulations are at 24 CFR part 905, part 941 and part 968.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410

Information Sources: Local public housing agencies or HUD field offices.
On the Web: www.hud.gov/offices/pih/programs/ph/capfund/index.cfm

Current Status: Active.